GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:661
ANSWERED ON:21.02.2003
TURN OVER FEES
DR. KIRIT SOMAIYA

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether SEBI has received representations from variousagencies associations regarding reconsidering the base about turn over fees for the past years;

(b) if so, the details of representation and other suggestions given therein; and

(c) the response of the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO V. ADSUL)

(a) to (c): Following the judgement of the Hon`ble SupremeCourt on February 01, 2001 on broker fees, several brokers associations had made representations to SEBI, seeking clarifications on various aspects related to the judgement.

SEBI obtained legal opinion of the Solicitor General ofIndia, on the issues raised by the brokers. The SEBIBoard considered the representations made by the brokers in the light of legal opinion and on 20th February, 2002 amended the SEBI (Stock Broker and Sub Broker) Regulations, 1992 to give effect to the judgement of the Hon`ble Supreme Court.

SEBI also issued two clarificatory circulars on the various issues raised in the representations received by it, on 28th March, 2002 and 30th September, 2002.